



# METROPOLITAN BUSINESS PLANS

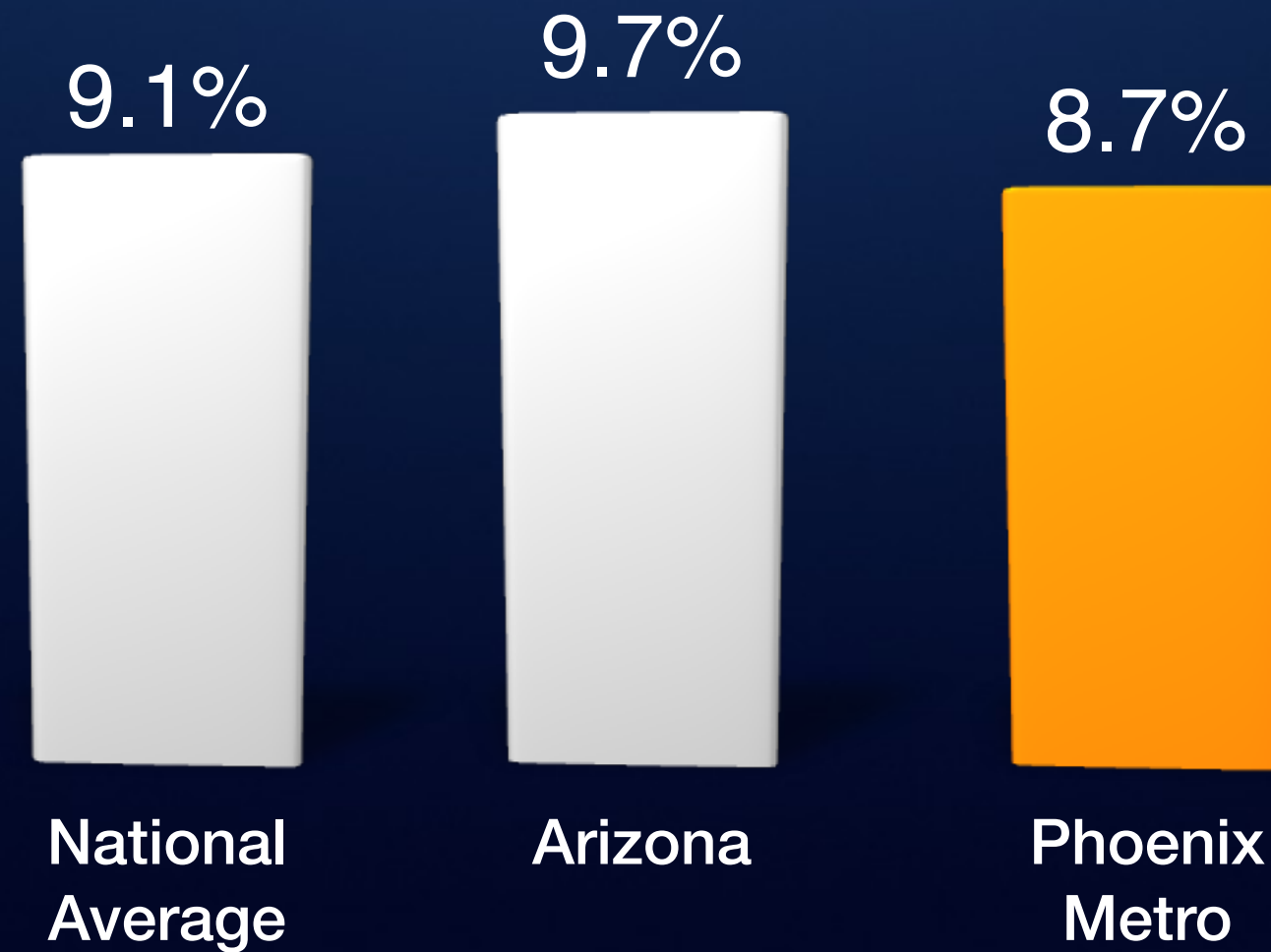
## A New Approach to Economic Growth

**8.8 million**  
jobs lost in the recession

**\$3,856**

decline in median household income  
(2000-2009)

# Unemployment in Arizona Remains High



Source: BLS ( July 2011)



# Domestic Consumption Will Not Lead Economic Recovery





# We Need a New Growth Model





# We Need New Growth Strategies

STARBUCKS®



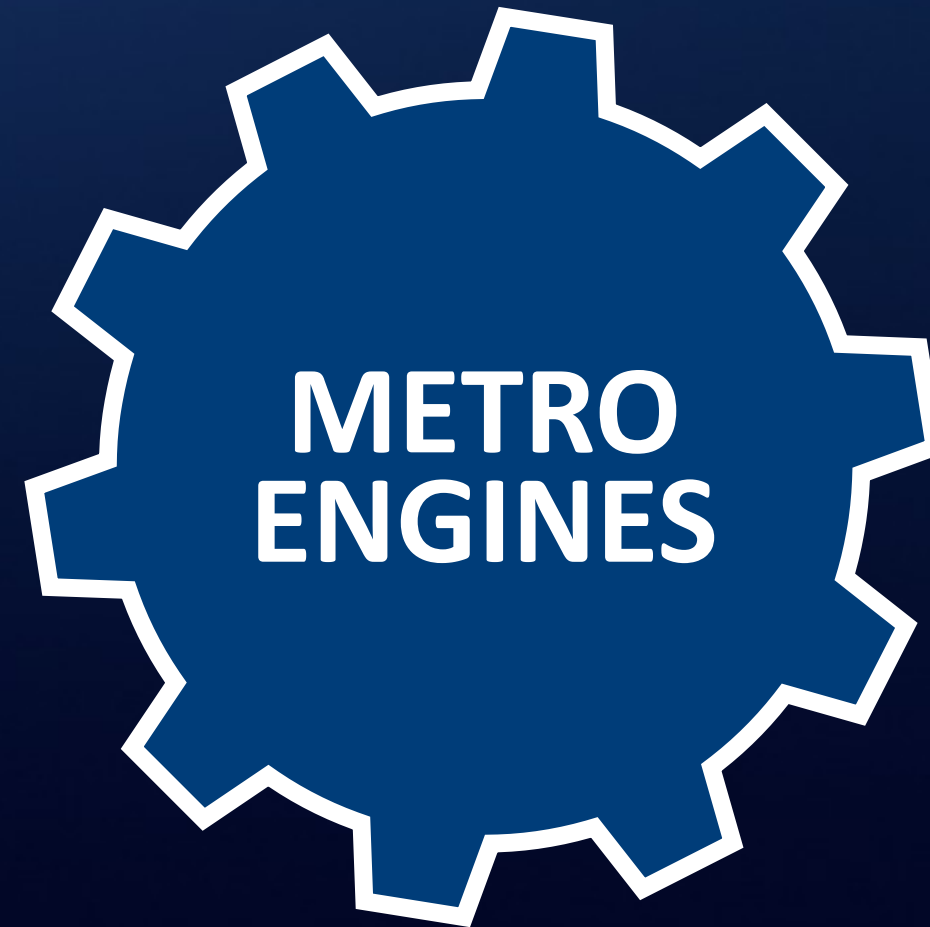
STADIA



STEALING BUSINESSES



# We Need to Be Intentional in Building the Next Economy





# We Need to Be Intentional in Building the Next Economy



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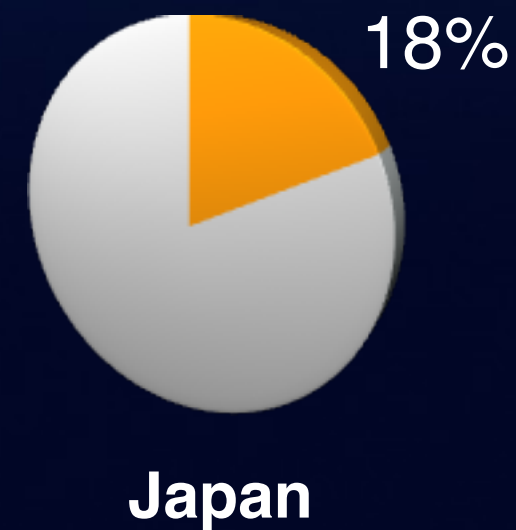
# 1 We need a vision for the next American economy



# Why exports?

# U.S. Exports Lag Our Competition

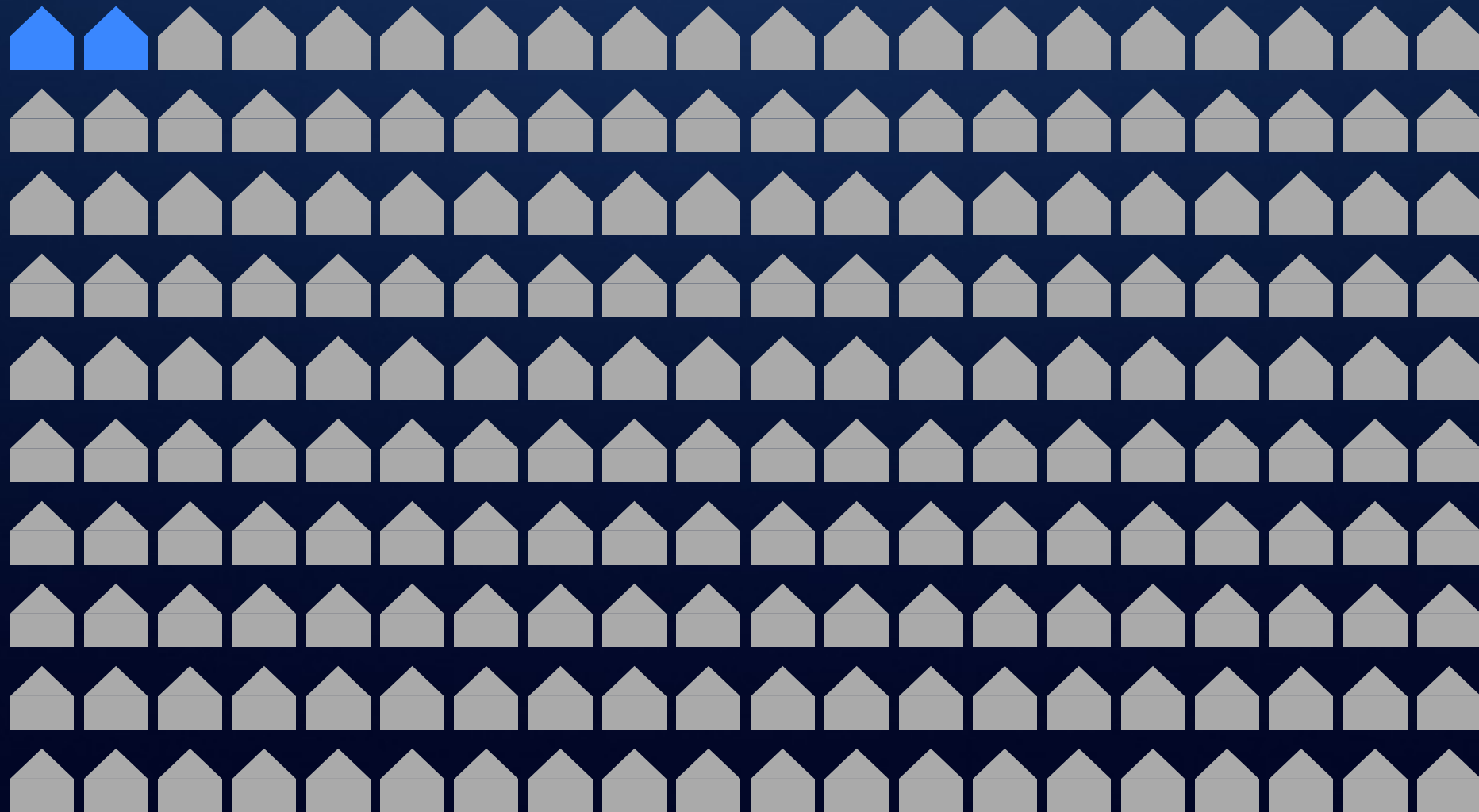
## Share of GDP in Exports





# Exporting Is an Unnatural Act

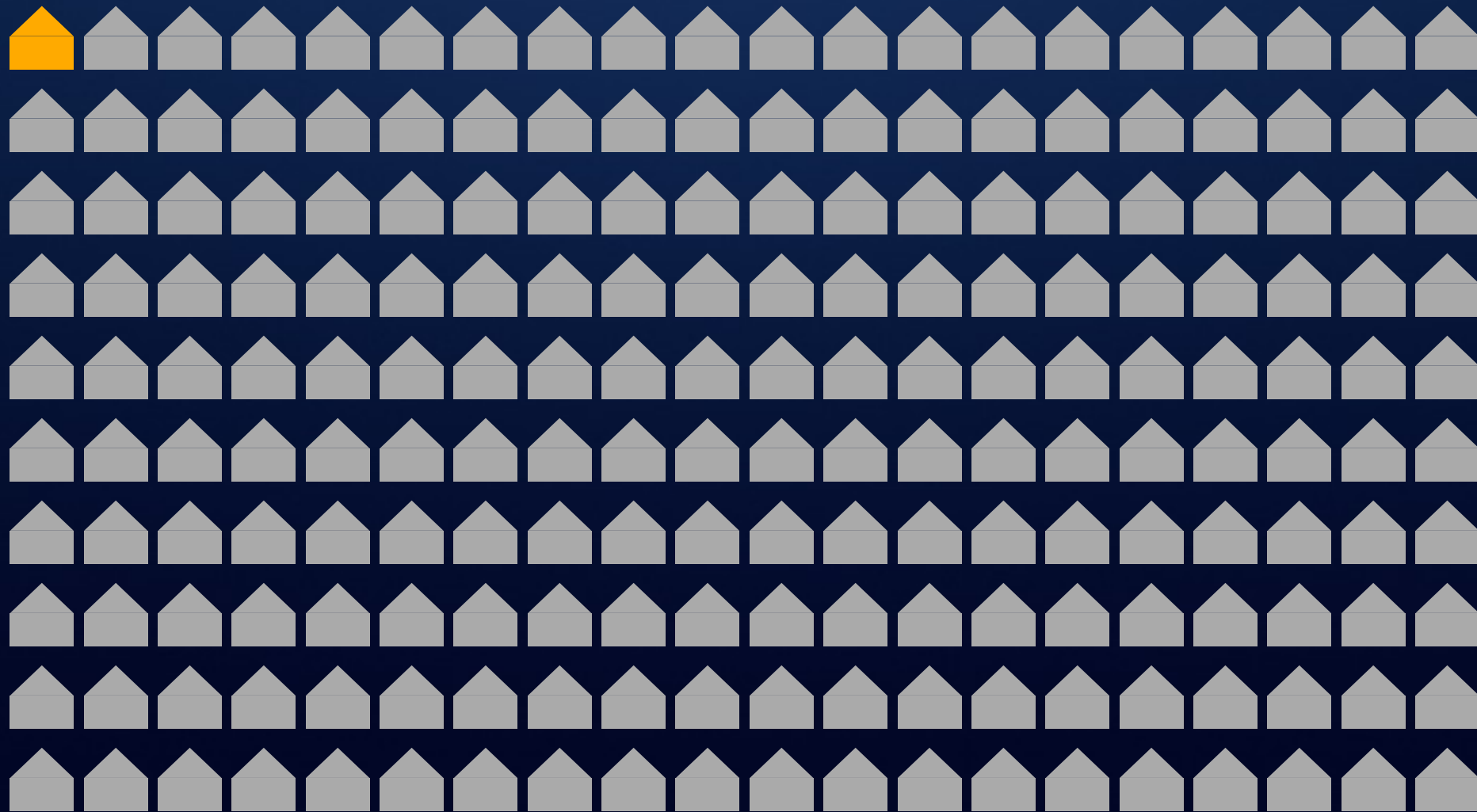
U.S. Companies that export



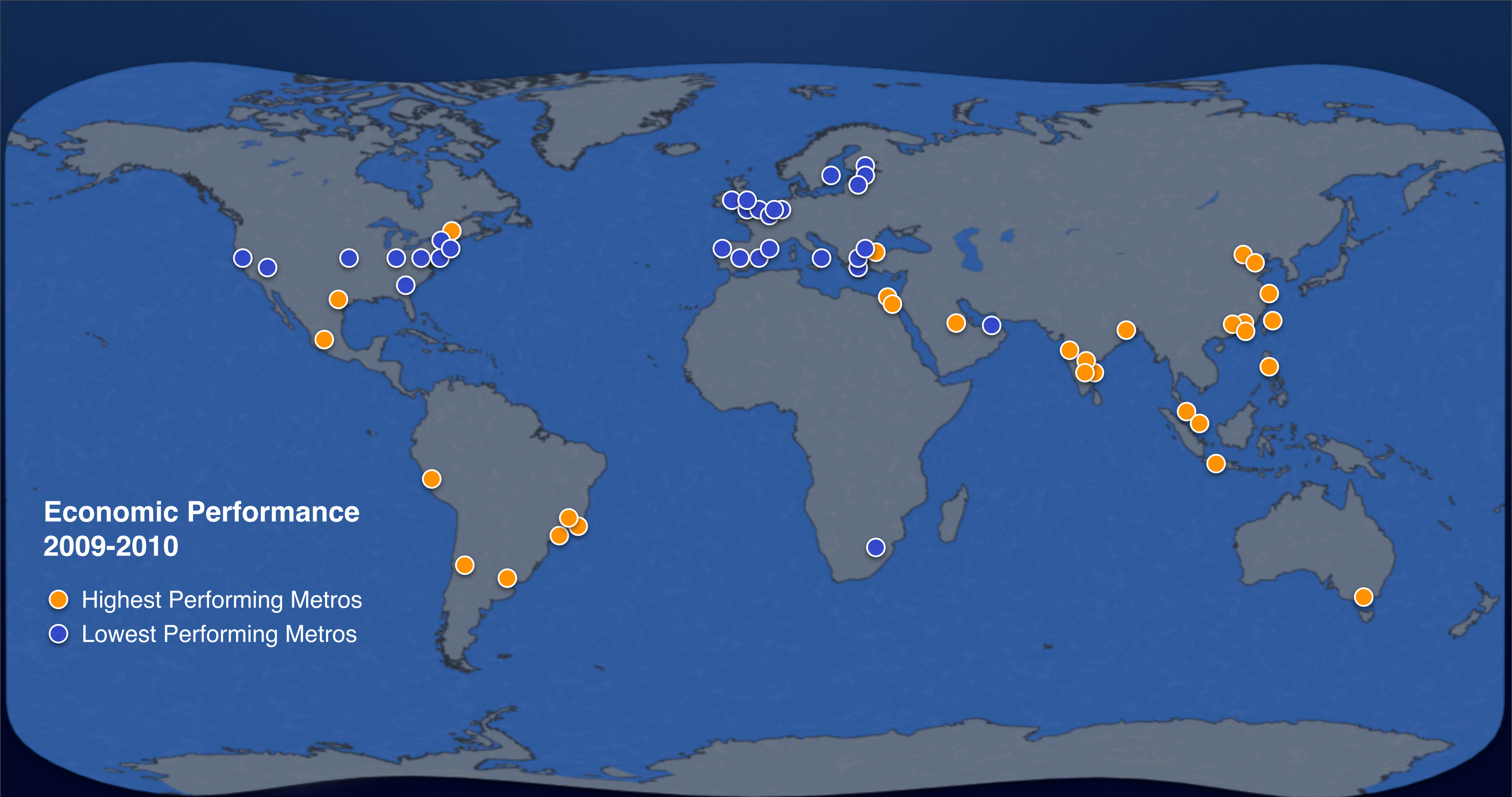
Source: US Department of Commerce Press Release, July 12, 2010

# Exporting Is an Unnatural Act

U.S. Companies that export to more than one country



Source: US Department of Commerce Press Release, July 12, 2010



# Why low carbon?



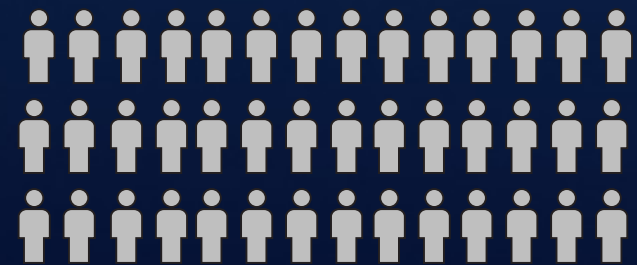






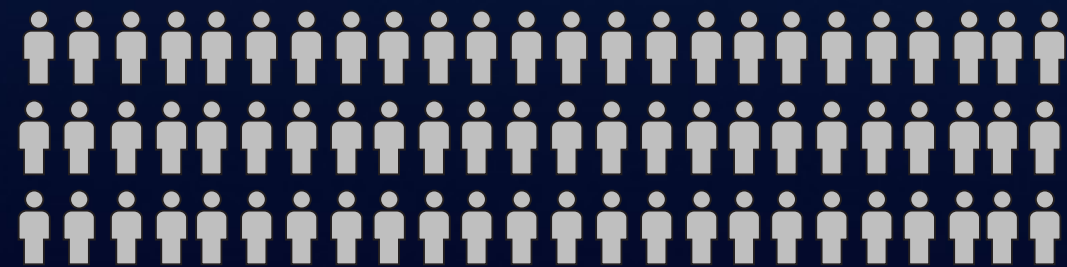
**2.7 million**

clean economy jobs



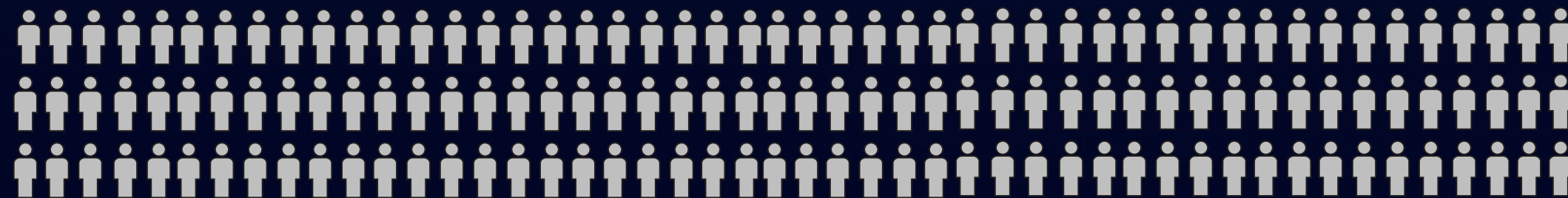
**1.4 million**

biosciences jobs



**2.4 million**

fossil fuel jobs



**4.8 million**

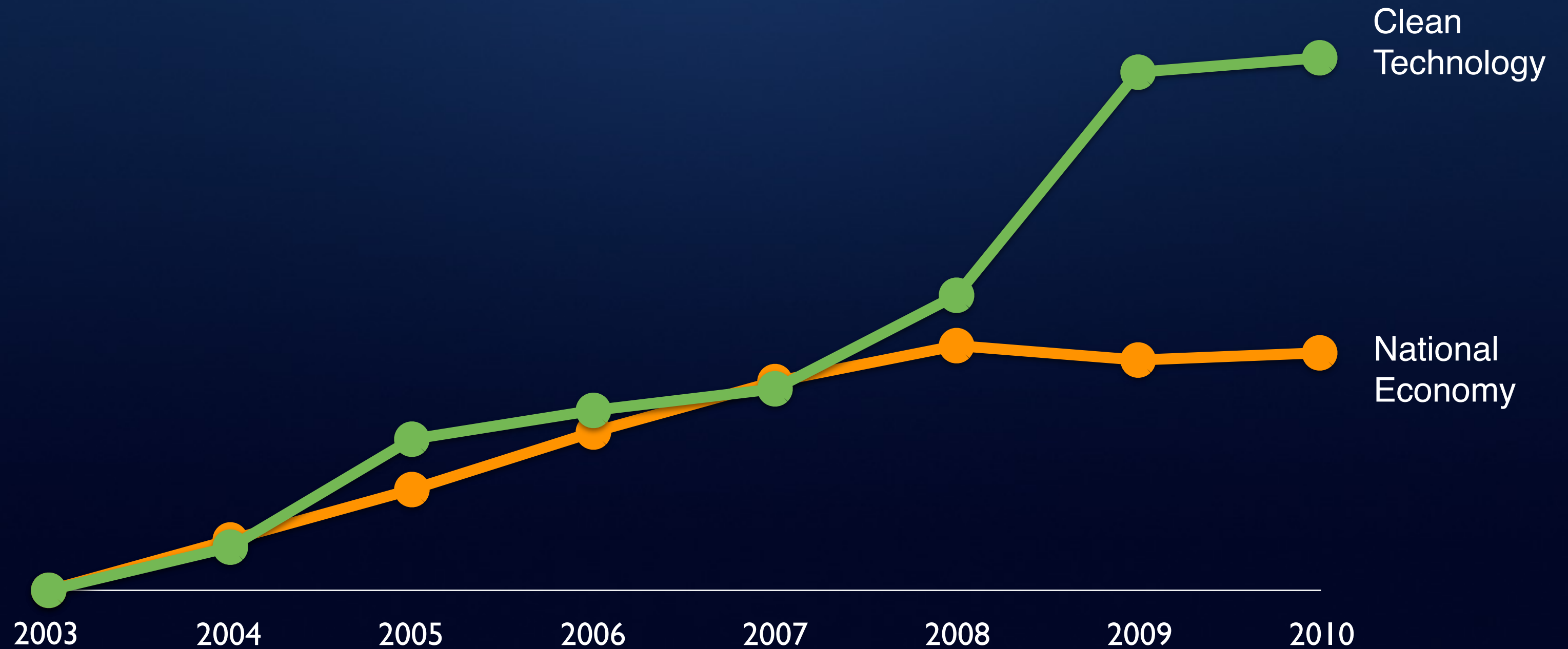
IT jobs

# The Clean Economy Has Grown by More Than 3 Percent Annually Since 2003



Source: Brookings-Battelle Clean Economy Database (2011) and Moody's Economy.com

# Clean Tech Has Been Growing at a Torrid Pace



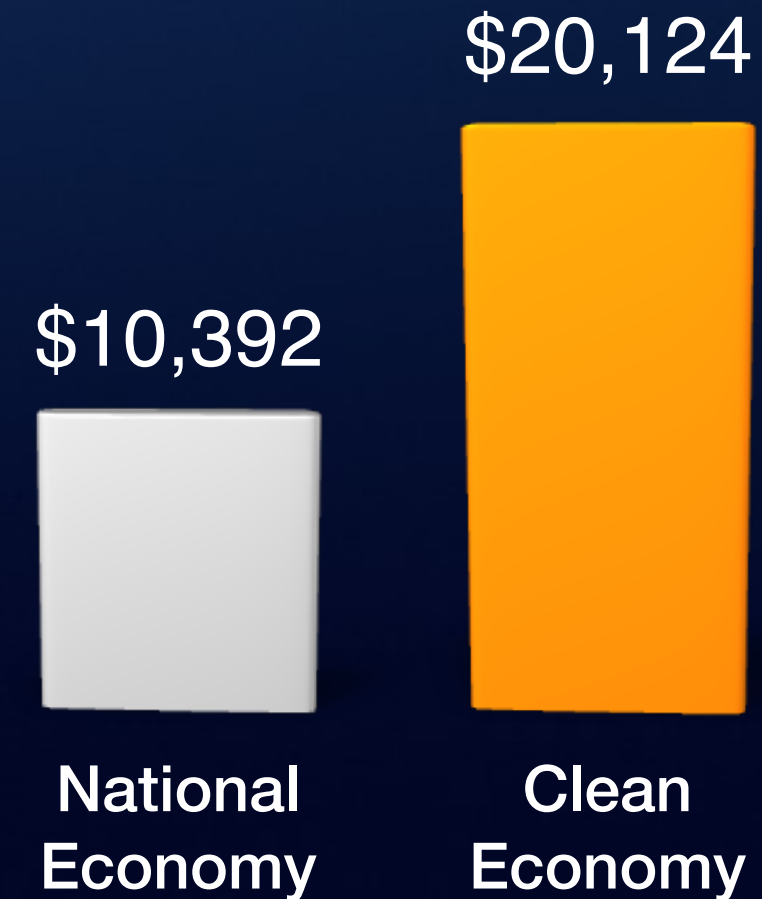
Source: Brookings-Battelle Clean Economy Database (2011) and Moody's Economy.com



# Clean Economy Establishments are Twice as Export Intensive as the National Economy

**\$53.9 billion**  
clean economy exports

Export Intensity  
*Yearly Export Earnings per Job*

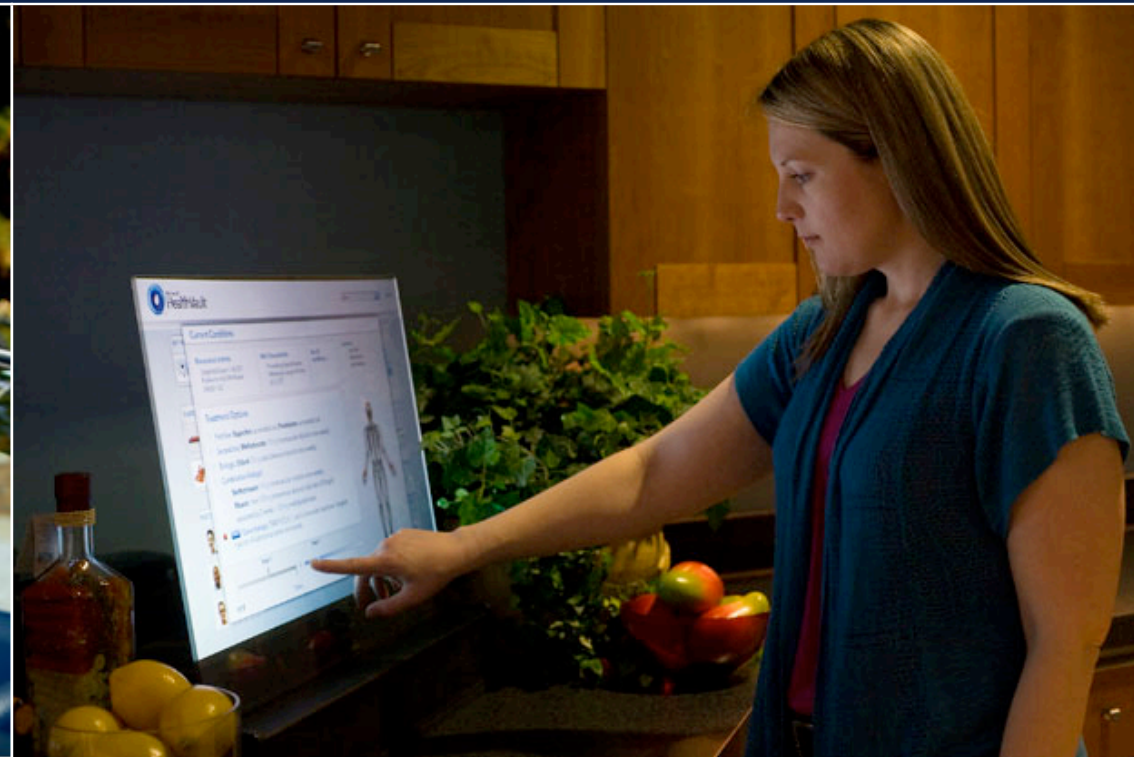


# Why innovation?

# We Are at the Cusp of an Historic Era of Technological Progress



Self-Driving Vehicles



Smart Homes



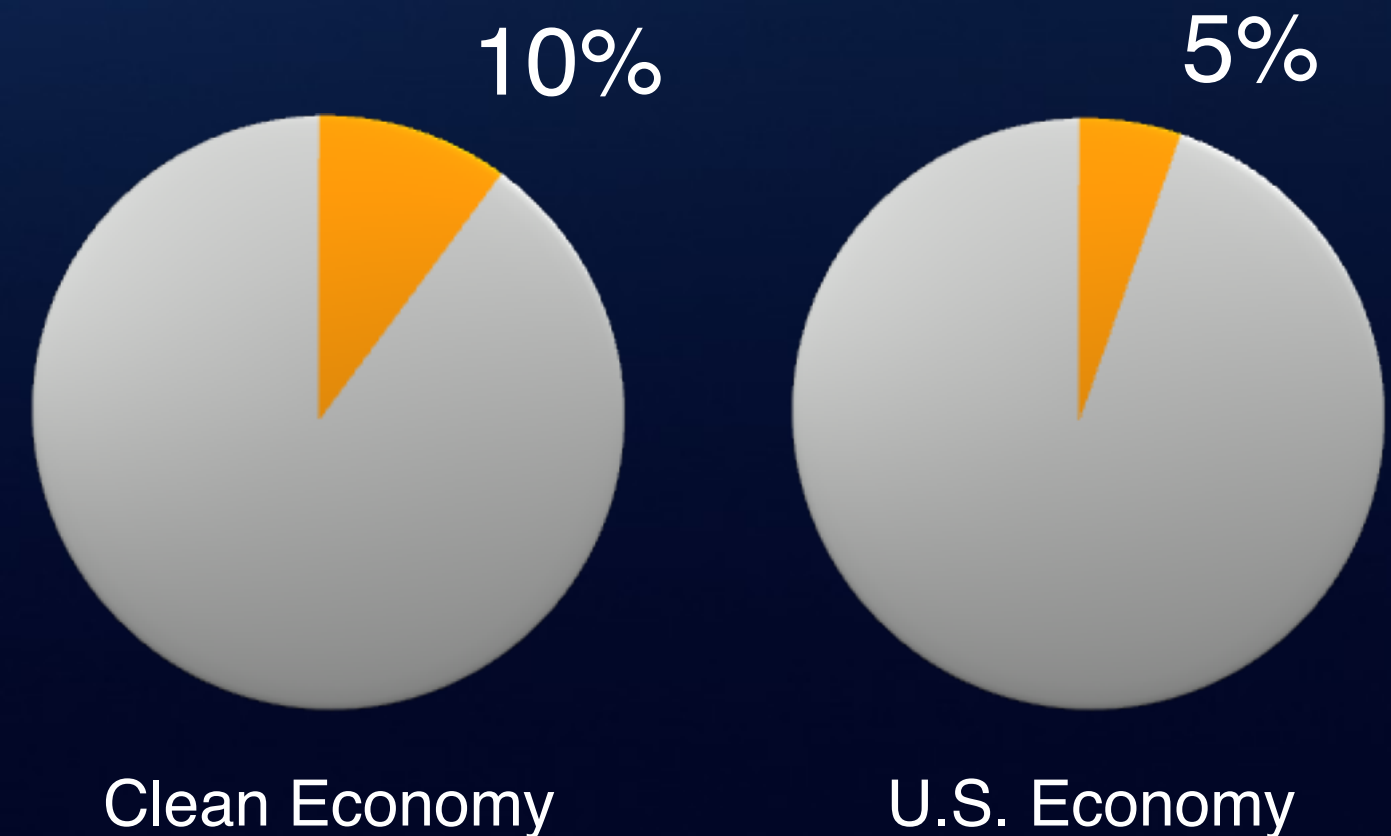
Remote Health Care



# The Clean Economy Employs a High Percentage of Scientists



## Innovation Intensity *Share of Jobs in Science & Engineering*



Source: Brookings-Battelle Clean Economy Database (2011)



# The U.S. Ranks Low in Science and Engineering Degrees



Source: National Science Foundation

United Kingdom

Lebanon

Mexico

Canada

Bolivia

Spain

Switzerland

Uganda

Algeria

Estonia

Slovenia

South Africa

Mozambique

Morocco

**United States**

Honduras

Lithuania

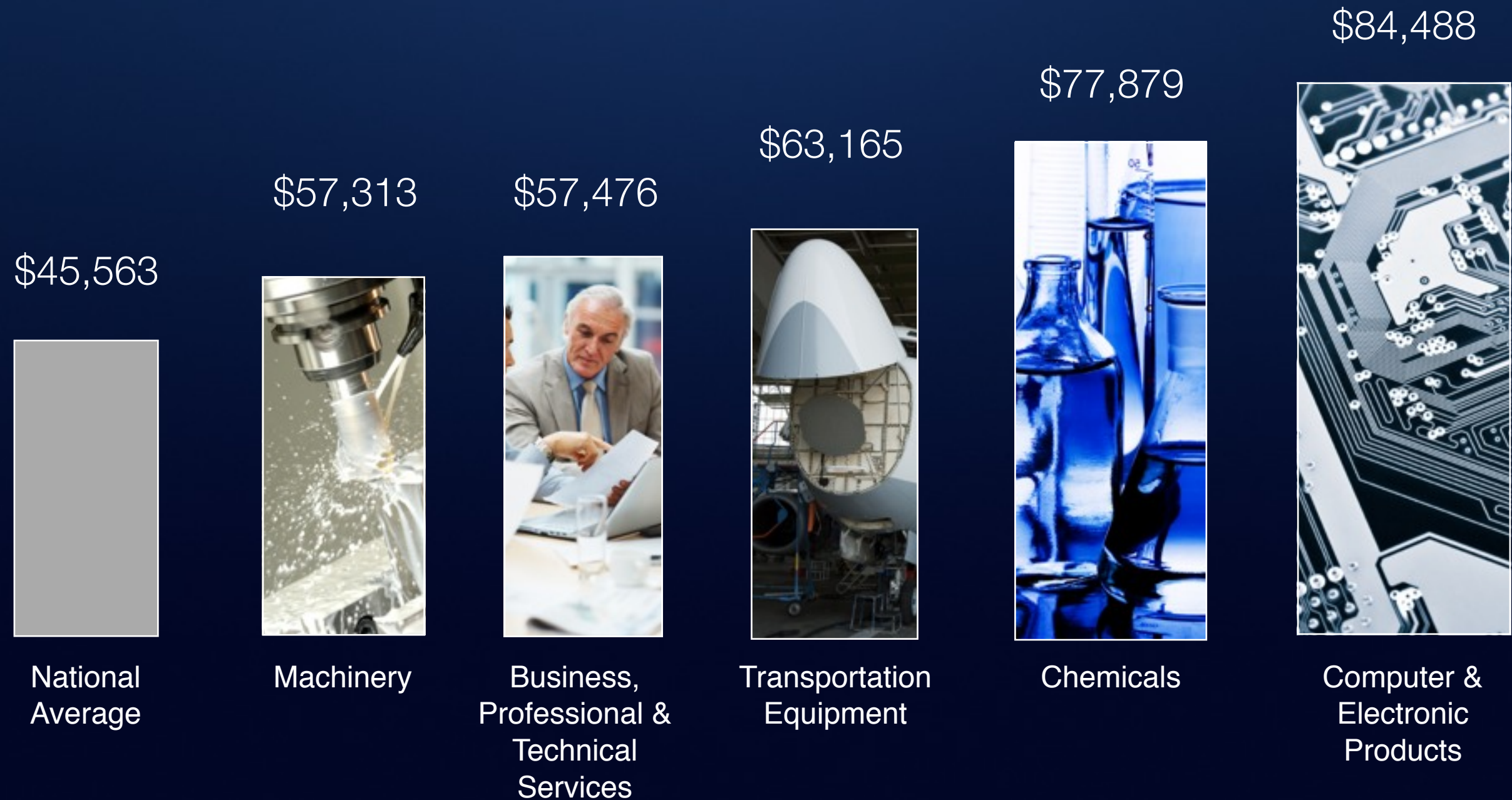
**45th**

Share of BAs in Science  
and Engineering

# Why opportunity-rich?



# Major Exporting Industries Pay Higher Wages



Source: Brookings analysis of U.S Census Bureau, BLS, IRS, IIE and BEA data (2008)

# The Clean Economy Offers Prospects and Good Wages For a Wide Range of Workers

Jobs held by people with a  
**high school degree or less**

**45%**

clean economy

**37%**

national economy







Jobs that offer **medium and long-term skill training**

**41%**

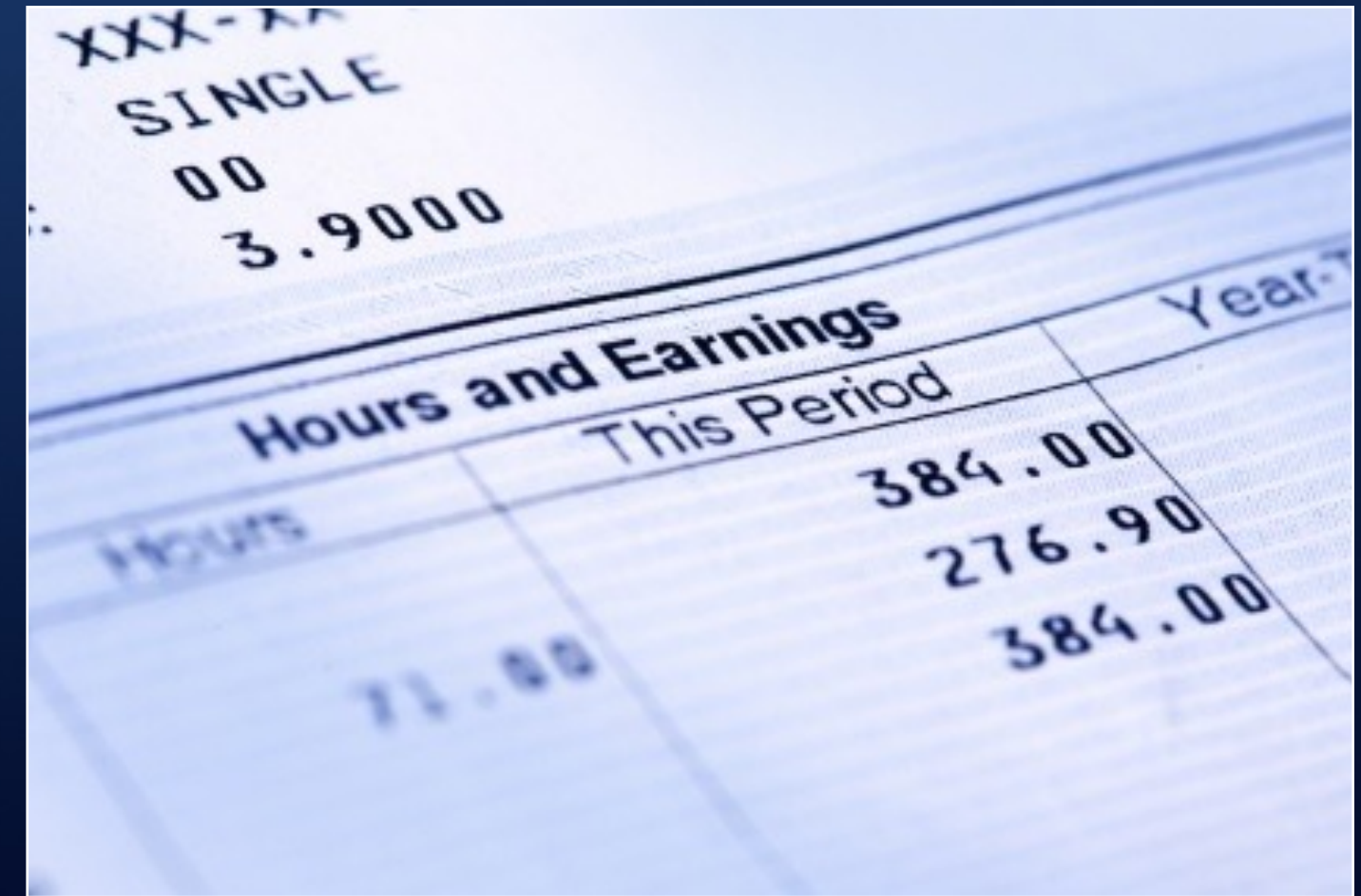
clean economy

**23%**

national economy

**Median wages** for the average  
occupation

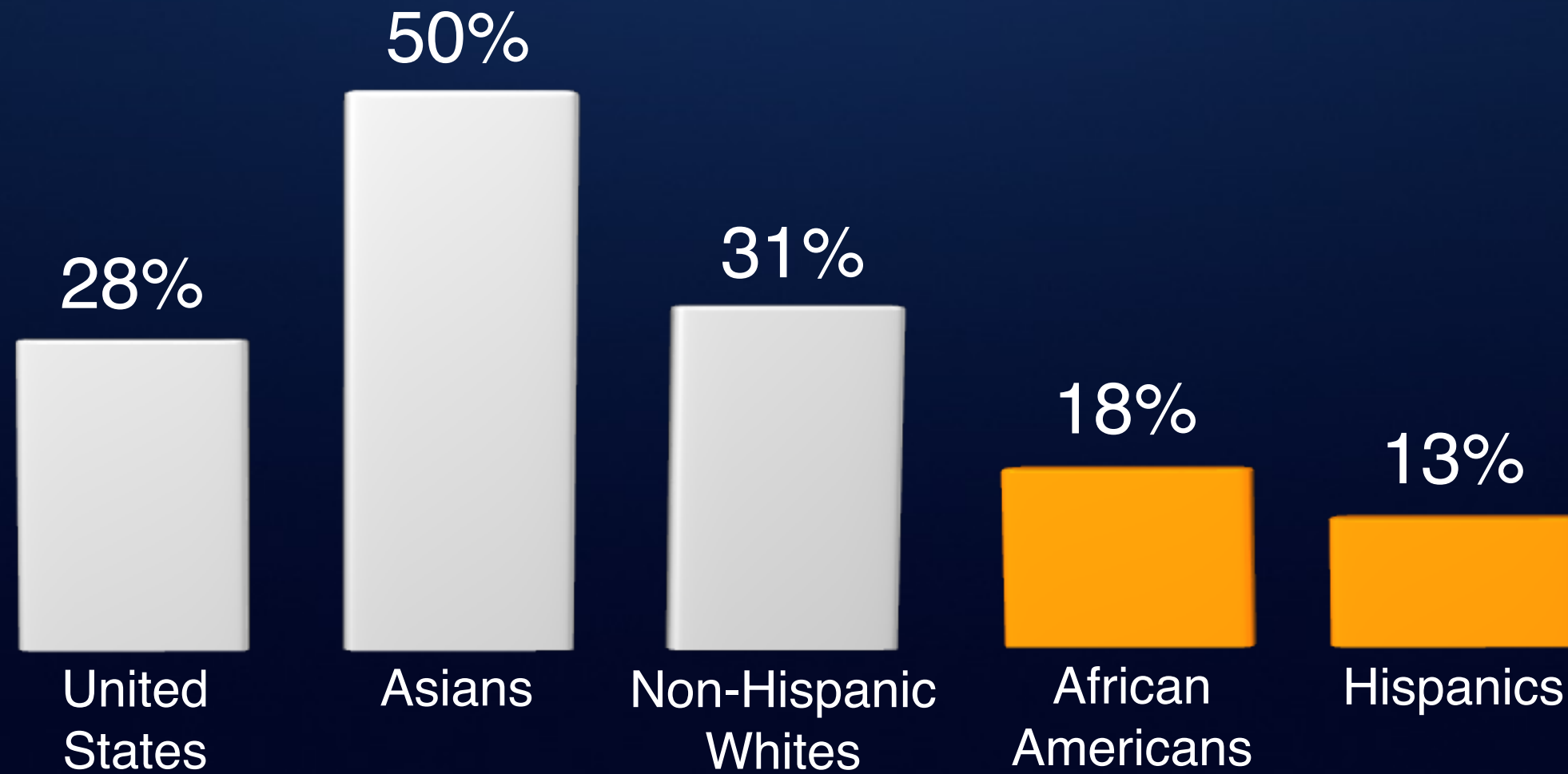
**\$43,773** **\$38,616**  
clean economy national economy



Hours and Earnings		Year-to-Date
Hours	This Period	
	384.00	
	276.90	
	384.00	

# The Rate of Educational Attainment Is Lowest Among the Fastest Growing Populations

## Bachelor's Degree Attainment

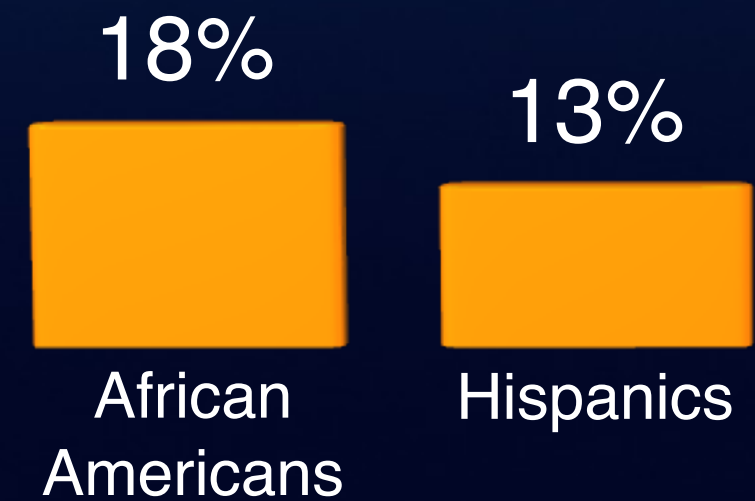




# The Rate of Educational Attainment Is Lowest Among the Fastest Growing Populations



## Bachelor's Degree Attainment



Source: US Census Bureau, 2009 American Community Survey

# A Small Share of Residents in Greater Phoenix Can Access Jobs Via Public Transit



31%

City\* jobs with transit access



21%

Suburban jobs with transit access

\* Phoenix, Mesa and Glendale. Source: Brookings, Missed Opportunity, 2011.

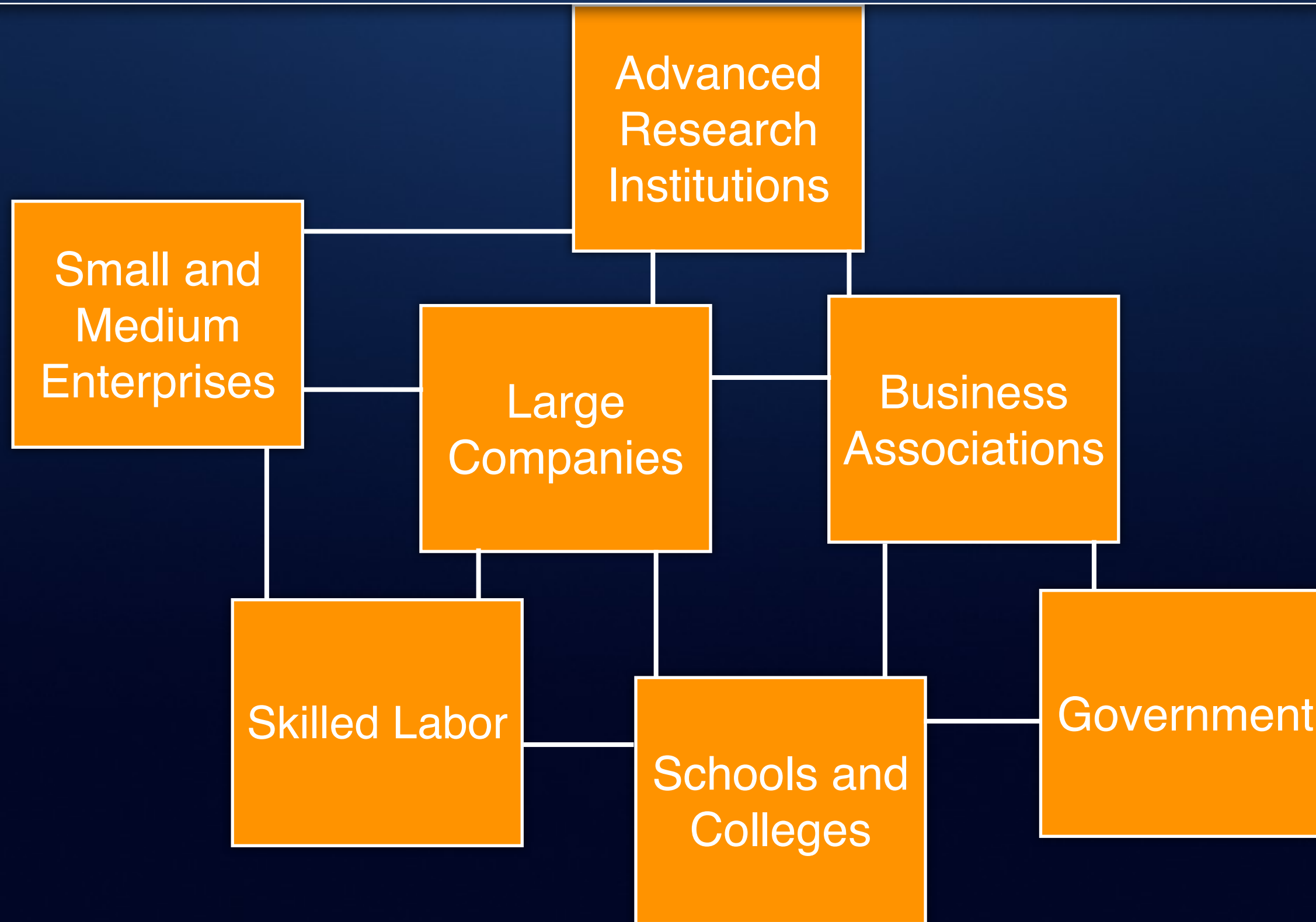


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2 The next economy will be driven by metro areas



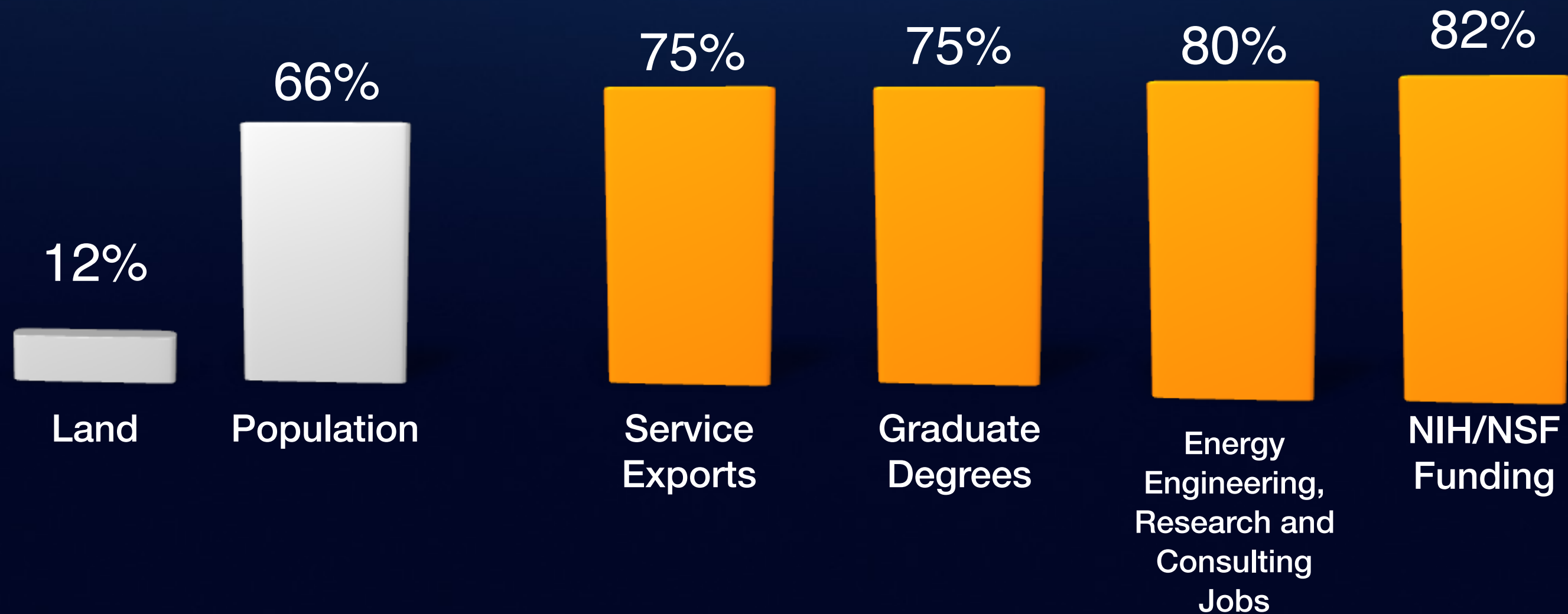
# A Metro Area Is Defined by Its Economic Function





# Metro Areas Hold the Bulk of the Country's Assets that Will Drive the Next Economy

## Top 100 Metros *Share of U.S. Totals*



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## Top 100 Metros *Share of U.S. Totals*





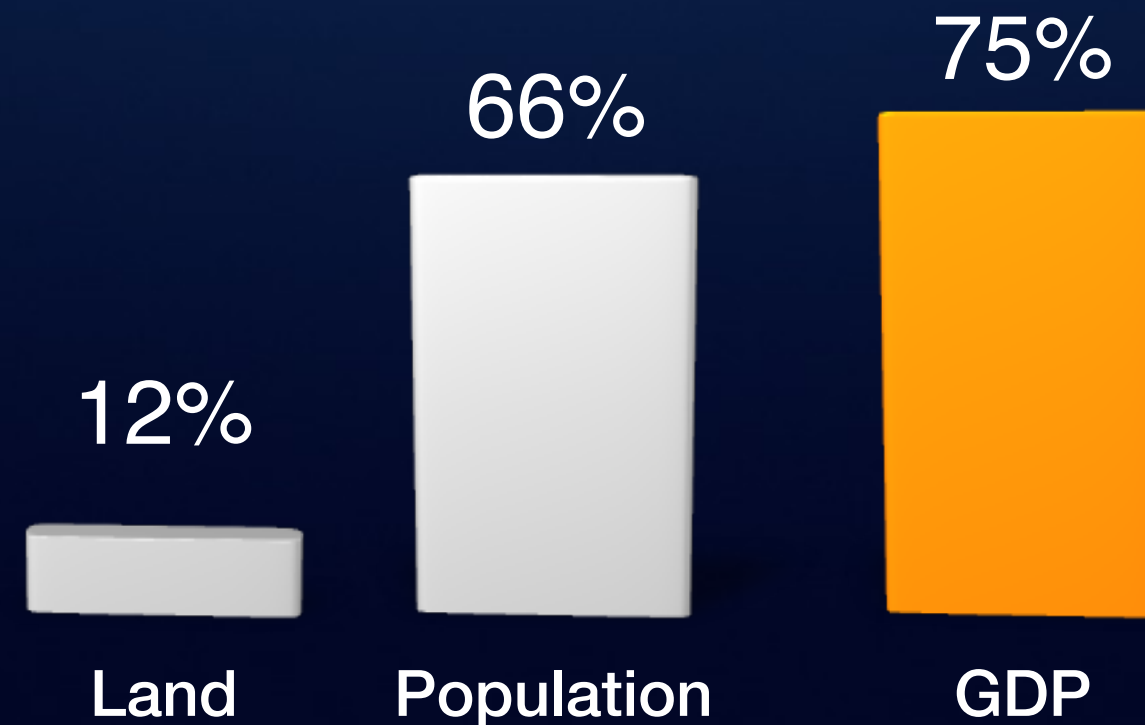
# Metro Areas Hold the Bulk of the Country's Assets that Will Drive the Next Economy

## Top 100 Metros *Share of U.S. Totals*



# Metro Areas Hold the Bulk of the Country's Assets that Will Drive the Next Economy

## Top 100 Metros *Share of U.S. Totals*





# In Arizona, Six Metro Areas Drive the State's Economy



Source: Census population estimates and Moody's Analytics (2009 data)

1 2 3

3

Regional leaders must build the next economy with state, federal and private sector partners

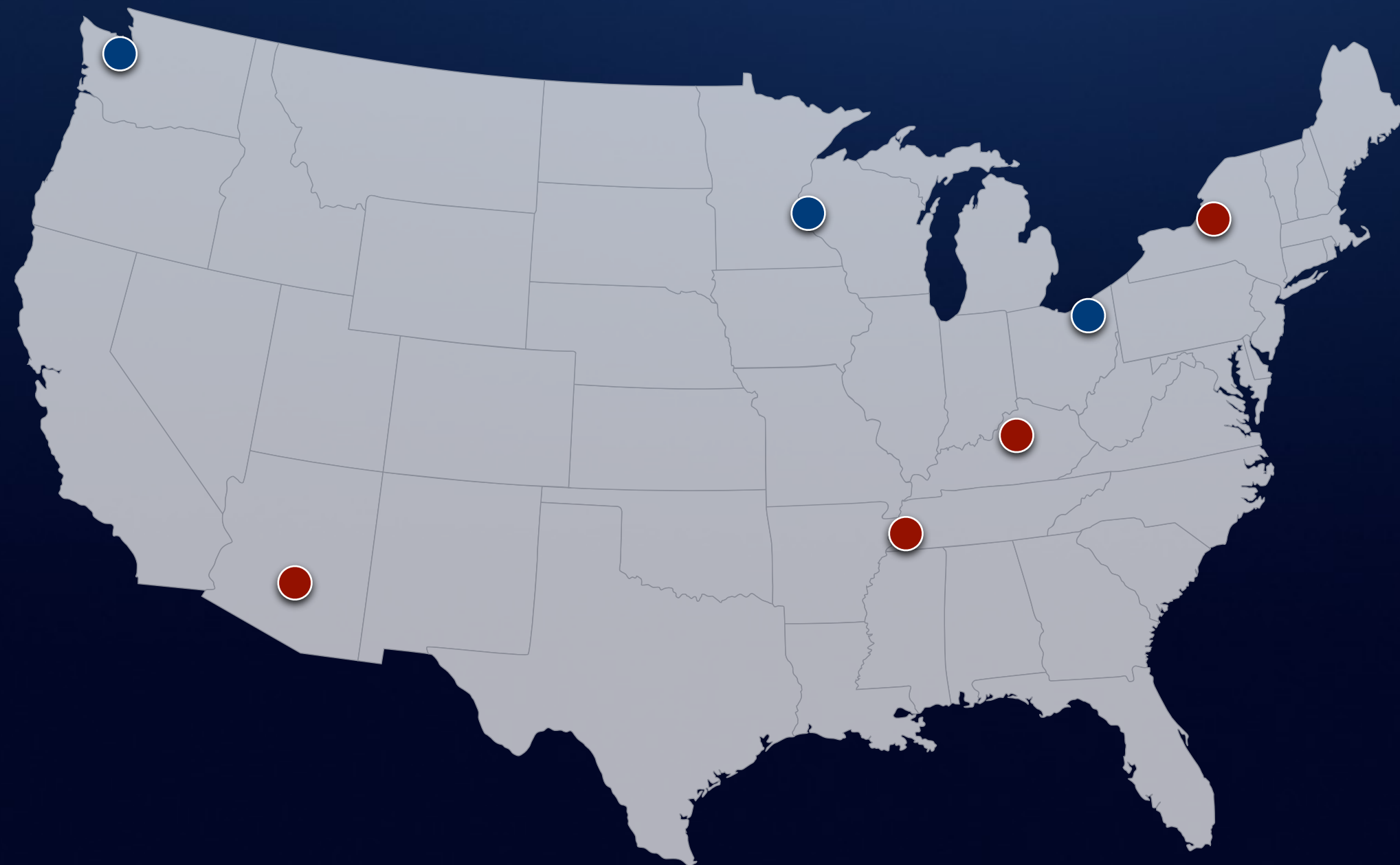




# The First Round of Metropolitan Business Plans



# The Next Round of Metropolitan Business Plans



## Round 2 MBP

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Louisville-Lexington, KY

Memphis, TN

Syracuse, NY

Phoenix, AZ

# MBP: Applying the Discipline of Private Sector Planning to a Region

Know Your Market

Identify a Regional Economic Vision and Mission

Identify Strategies and Goals

Specify Products, Services and Policies

Develop an Operational Plan

Develop a Financial Plan

Target and Monitor Performance

Traditional Economic  
Development



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Metropolitan  
Business Plans

# MBPs Require Key Strategies to Deliver on Prosperity in the Next Economy



# Metro Business Plan Components

## STRATEGIC OVERVIEW

Know Your Market

Identify a Regional Economic Vision and Mission

Identify Strategies and Goals

## LEAD INITIATIVE

Specify Products, Services and Policies

Develop an Operational Plan

Develop a Financial Plan

Target and Monitor Performance



## METROPOLITAN INVESTMENT PROSPECTUS

Investment Opportunities and “Asks”

Projected Returns



# NE Ohio: Applying the Discipline of Private Sector Planning to a Region

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Target and Monitor Performance

Strong manufacturing base

Top tier research institutions

Weak job growth and productivity

Shrinking workforce with low BA attainment

Fragmented, high-cost local governments

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.....

Create a connected,  
collaborative region that  
can compete for jobs,  
market share and  
investments in the next  
global economy

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Target and Monitor Performance

Help SMMs innovate in growth markets

Grow/ connect employers with skilled workers

Create entrepreneurial ecosystem

Link regional planning and revenue sharing with economic growth

Reward government efficiency/ collaboration



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## PRISM

Diagnostic services

Business development  
services

Process/ product  
development services

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MAGNET as lead entity (2 new staff)

Services provided by key partners (e.g. Nortech, community colleges, business schools)

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**\$2.4 million**

start-up costs

**\$8.4 million**

budget over 5 years

**Shift to revenue-based  
model in year 3**



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**56**

SMMs served in the first 3 years

**\$10 million**

firm revenue growth in 3 years

**3,200**

new jobs in portfolio companies by year 8

# In Short, MBPs Can Lead to Results in Economic Performance

Fundamentally nested in market dynamics

Customized to each region's unique assets

Operationalized with clear accountability

Builds long-term institutional capacity

Rooted in new public-private partnerships

Metropolitan  
Business Plans

# Ingredients for Success

Strong regional cohesion with deep private sector engagement

Strong capacity among individual regional actors

Proven record of regional action

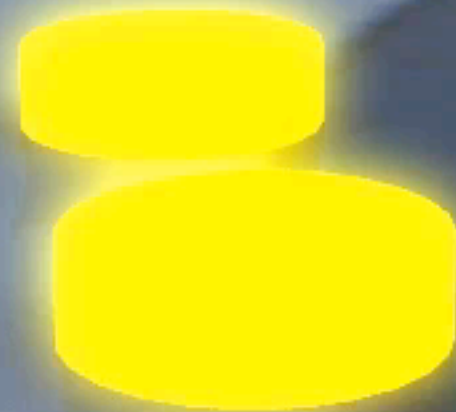
Expertise in markets and market analysis

Fiscal sustainability



# METROPOLITAN BUSINESS PLANS

## A New Approach to Economic Growth



# The MBP Timeline

# The MBP Timeline

2012

Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct
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# The MBP Timeline

2012

Aug

Sept

Oct

Nov

Dec

Jan

Feb

Mar

Apr

May

June

July

Aug

Sept

Oct

## ■ Institutional development and market analysis

- On-site project kick-off
- On-site 2 day work session
- Submit 1st draft of strategic overview (October 31)

# The MBP Timeline



# The MBP Timeline





# The MBP Timeline

